



**JANUARY 12, 2010**

**AGENDA  
FREMONT CITY COUNCIL SPECIAL WORK SESSION**

**CITY COUNCIL CHAMBERS  
3300 CAPITOL AVENUE, FREMONT**

**5:00 P.M. (Please Note Time Change)**

**1. PRELIMINARY**

- 1.1 Call to Order
- 1.2 Salute to the Flag
- 1.3 Roll Call
- 1.4 Announcements by Mayor / City Manager

**2. ORAL COMMUNICATIONS**

[Any person desiring to speak on a matter which is not scheduled on this agenda may do so. The California Government Code prohibits the City Council from taking any immediate action on an item which does not appear on the agenda, unless the item meets stringent statutory requirements. The Mayor will limit the length of presentations (see instructions on speaker card) and each speaker may only speak once on each agenda item.]

*Times Are  
Approximate*

**3. UPDATE ON EFFORTS TO PROMOTE REUSE, REDEVELOPMENT,  
AND REVITALIZATION OF NUMMI SITE INCLUDING RESPONSE TO  
MAJOR LEAGUE BASEBALL INTEREST IN LOCATING A BALLPARK  
IN FREMONT**

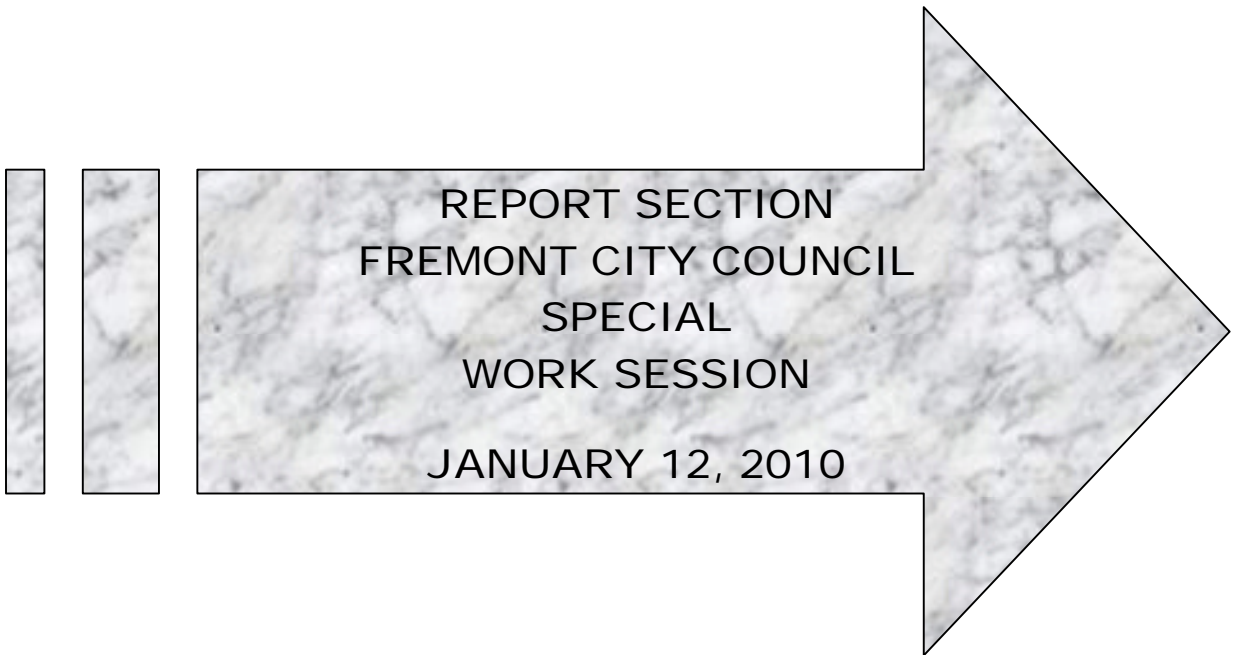
*5:00 p.m.-6:30 p.m.*

Contact Person:

Name: Fred Diaz  
Title: City Manager  
Dept.: City Manager's Office  
Phone: 510-284-4000  
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*Public Comment*

**4. ADJOURNMENT**



**3. UPDATE ON EFFORTS TO PROMOTE REUSE, REDEVELOPMENT, AND REVITALIZATION OF NUMMI SITE INCLUDING RESPONSE TO MAJOR LEAGUE BASEBALL INTEREST IN LOCATING A BALLPARK IN FREMONT**

**Receive an Update on City Staff Efforts to Encourage the Reuse of the New United Motors Manufacturing Incorporated (NUMMI) Auto Manufacturing Site and to Support the Long Term Redevelopment and Revitalization of this Site, Including Staff Response to Major League Baseball Inquiries About Potential Ballpark Sites in Fremont**

**Contact Person:**

Name: Fred Diaz  
Title: City Manager  
Dept.: City Manager's Office  
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E-Mail: fdiaz@fremont.gov

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**PURPOSE OF THE WORK SESSION:**

The New United Motors Manufacturing Incorporated (NUMMI) auto manufacturing plant located in Fremont has long been a major employer for Fremont and has supported associated businesses in the region and state. NUMMI officials have announced the plant will close effective April 1, 2010. This work session will summarize staff efforts to support continued manufacturing at the NUMMI site, as well as long-term opportunities to promote the reuse, redevelopment and revitalization of the site. One such opportunity may be the development of a Major League Baseball (MLB) ballpark and related ancillary mixed use development at the largely vacant northern parcel of the NUMMI site.

**POLICY ISSUES/ANALYSIS:**

**Impact of Anticipated NUMMI Closure and Prospects for Reuse, Redevelopment and Revitalization of the NUMMI Site**

NUMMI was created in 1984 when General Motors entered into a partnership with Toyota. This partnership produced automobiles at an auto manufacturing site formerly operated by General Motors in the 1960s and which was vacant for a decade prior to the creation of NUMMI. Upon learning in the spring of 2009 that NUMMI was considering closing the plant, City officials worked closely with regional, state and national officials to seek opportunities to continue NUMMI's manufacturing operations at the site. In June 2009, General Motors withdrew from the partnership with Toyota. City, regional, state and national officials contacted Toyota Motor Corporation directly in the hope of continuing operations at the site; however, Toyota announced on August 27, 2009 that it will close the plant effective April 1, 2010.

The NUMMI plant is a major employer for Fremont and the state. The closure of the plant will result in 4,700 lost jobs at the plant, and will impact more than 300 California companies that supply parts or services to the only automotive manufacturing plant on the West Coast. The facility has contributed to the employment of more than 20,000 throughout the state. The 370-acre NUMMI site consists of three parcels: a parcel of approximately 210 acres which contains the approximately 5.5 million square feet manufacturing plant, and largely vacant parcels to the north and south of the manufacturing facility. The

northern parcel is approximately 120 acres and the southern parcel is approximately 40 acres. The site occupies a key location in Fremont and the region, being directly adjacent to Interstate 880, commercial rail lines and the Warm Springs BART Station now under construction.

Since the announcement of NUMMI's planned closure, City officials have continued to work closely with regional, state and national agencies to provide support to displaced workers and to consider opportunities to reuse the facility. A team of federal, state and local employment and workforce agencies (known as the "Blue Team") has been working to provide coordinated and expanded benefits to NUMMI workers. The designation of Trade Adjustment Act status by the U.S. Department of Labor will allow NUMMI workers to receive up to \$10,000 each in job retraining funds as well as extended unemployment and other benefits. In addition, City staff is seeking a grant from the Federal Economic Development Administration to develop a Strategic Plan that can help guide the reuse, redevelopment and revitalization of the NUMMI site. At a state level, the Governor is considering the creation of a committee which would study reuse opportunities for the site, and City staff is seeking to participate in this effort as well.

The NUMMI site is remarkable from several perspectives. As noted above, it has been a significant employer for Fremont and the region. At 370 acres, it is comparable in size to San Francisco's Financial District and Oakland's downtown. It is also similar in size to many military bases. With over 5 million square feet of building area, it is one of the larger automobile manufacturing plants in the United States, requiring significant capital to operate and maintain. When manufacturing is discontinued at the plant, it will double the vacant industrial space available in Fremont. The site occupies a key location regionally, being supported currently by Interstate 880 and commercial rail lines, as well as being adjacent to the Warm Springs BART Station slated to open in 2014. For all of these reasons, the potential reuse, redevelopment and revitalization of the NUMMI site represents a significant challenge and opportunity for the Fremont community and deserves careful attention. **Based on the experience of other communities with sites as large as the NUMMI site, staff believe that, without a major catalyst project, it could easily take 15-20 years for the NUMMI site to contribute in any substantive manner to the Fremont economy.**

### **Major League Baseball Interest in Fremont and Conceptual Approach for a MLB Ballpark at the NUMMI Site**

One potential catalyst project for the NUMMI site is a MLB ballpark. On November 14, 2006, Oakland A's owner Lew Wolff announced that Fremont would be the new home of the A's. The City immediately began a formal dialogue with the A's. In February 2007, the City Council adopted General Guidelines for the negotiation process, and City staff worked diligently with the A's over the next two years to bring a ballpark business deal to the City Council for consideration. For a variety of reasons, Mr. Wolff's Ballpark Village vision was not realized and the project was terminated by the A's in January 2009.

In March 2009, MLB Commissioner Selig appointed a committee to analyze all of the ballpark proposals that have been made for the A's and to evaluate the potential for the development of a new ballpark in the A's territory. Representatives of the MLB committee contacted the City, initially to understand the background and the history associated with the A's efforts to develop a ballpark project at Pacific Commons and later at Warm Springs.

In addition, the committee was interested in evaluating the feasibility of potential sites in Fremont. City staff worked with the committee throughout the summer to help them identify potential sites and understand the opportunities in Fremont. The City also provided the committee and its consultants with numerous reports, data, and other information as requested for its due diligence. The committee initially suggested that the NUMMI site could be a potential ballpark location and requested a ballpark development proposal from the City. The NUMMI site was first identified by the A's in 1998, but, for operational reasons, development of any kind on this site was opposed by NUMMI and therefore was not considered a viable ballpark option. With NUMMI still in operation during initial meetings with the committee, staff did not believe at that time that the City was in a position to respond to the request for a ballpark development proposal.

Later in the fall, the committee indicated that it would be concluding its initial due diligence phase in December and would be presenting preliminary findings to Commissioner Selig and Chief Operating Officer Bob Dupuy in January. The committee once again requested a formal proposal from the City. It became clear at that time that if the City was interested in pursuing an opportunity that included a MLB ballpark, staff would need to respond in some manner. By this time, NUMMI had announced that auto manufacturing at the site would cease, and it was becoming clear to staff that reuse of the current manufacturing facility was not imminent, and that a major catalyst would be required in order to spark long-term redevelopment the NUMMI site.

Staff thought it was important to preserve the opportunity for the City Council to at least consider and evaluate a catalyst project of this nature. A MLB ballpark at this site would be a major redevelopment effort of its own, and could ultimately promote private development and investment in the remaining portion of the NUMMI site and the region. Because of the committee's timing, it was necessary to respond quickly.

As a result, City staff developed a conceptual approach for a potential mixed-use ballpark development at the northern, largely vacant parcel of the NUMMI site in Fremont and provided this approach to the MLB Committee in late December 2009. This concept would allow for continuation of manufacturing at the NUMMI site if demand dictates and could serve as a major catalyst for the long-term redevelopment of the larger site.

The conceptual approach includes a 36,000 seat ballpark at the corner of Fremont Boulevard and Grimmer Boulevard. A first phase of development could also include administrative offices, ballpark-related retail and concessions, a central plaza and a pedestrian promenade connecting a pedestrian overpass from the site to the upper level of the future Warm Springs BART Station. The remaining portion of the site initially would provide parking. Future development phases could intensify development on the site, adding an array of supporting and complementary land uses that could include office, retail and restaurant uses along the promenade.

**It is important to note that the conceptual approach is not a proposal.** It has not been considered nor endorsed by the City Council, but is a preliminary concept developed by staff in order to meet a timeframe determined by MLB. This work session provides the first opportunity for staff to inform the City Council about this conceptual approach. If this location and approach were to be considered by MLB, a specific project would need to be defined, and the development proposal would go through a detailed entitlement application process, including environmental review. This process would offer

extensive opportunities for community involvement (including meetings and public hearings) prior to any decisions by the City Council. If any preliminary agreement is reached with MLB and the A's, City staff would also recommend a citywide vote on the project, potentially as early as the November 2010 election.

As noted above, in 2007 the City Council adopted General Guidelines for consideration of a ballpark in Fremont. This conceptual approach for a ballpark project in Fremont is generally consistent with those principles.

Key components of the conceptual approach are as follows:

1. The ballpark would be located on approximately 120 acres at the corner of Fremont Boulevard and Grimmer Boulevard. The site is largely vacant and is close to the Warm Springs BART Station.
2. The public sector would acquire and own the land.
3. The A's would privately finance and develop a 36,000 seat state-of-the-art Major League Ballpark to be completed by opening day 2015. No public investment would be made in the construction of the stadium.
4. There are significant opportunities for flexible, phased, complementary private real estate development in the short-term and long-term. The proposed ballpark site on the northern parcel of the NUMMI site provides opportunities for destination-oriented real estate development, and would represent the first phase of redevelopment of the overall NUMMI site.
5. The public sector would provide necessary infrastructure using proceeds of the development itself and other appropriate sources. No General Fund money would be required for construction of the project.
6. There would be extensive opportunities for significant public involvement and input if a ballpark development were proposed for this site. Further, in addition to the normal processes for public input on development, Staff would recommend a citywide vote if any preliminary agreement is reached with MLB and the A's.

### **Next Steps**

The conceptual approach is a starting point for serious discussion with MLB and the A's. As MLB and the A's seek a new ballpark location, several Bay Area sites are being considered. The conceptual approach prepared by staff is intended to preserve the opportunity for Fremont to be considered for a MLB ballpark and the development associated with it. There are significant challenges to reusing and revitalizing a site as large as the NUMMI site, and staff believes that a ballpark at this site could spur other private investment in the area in an expedited manner which would benefit the Fremont community in the form of quality jobs and business activity.

It remains to be seen whether this conceptual approach will be considered further by MLB. Staff was asked to provide a response to MLB about the potential for locating a ballpark in Fremont before the end of December 2009, with the understanding that MLB would discuss the merits of various sites in January 2010. If MLB and the A's are interested in further exploring this conceptual approach, staff will seek City Council direction at that time.

**REQUESTED OUTCOME OF THE WORK SESSION:**

This work session is intended to provide an opportunity for City Council discussion of efforts to promote the reuse, redevelopment and revitalization of the NUMMI site, including the concept of a ballpark at the northern portion of the site. Because MLB has not made any decisions about the location of a new A's ballpark, no City Council action is required at this time.

**ENCLOSURE:**

- [Conceptual Approach to A's Relocation Recommended by City Staff](#)
- [Appendix](#) Please note the file size is 21 MB and will take some time to download. Due to the size of the file, it is has also been divided into multiple PDFs below:
  - [Exhibits A-C](#)
  - [Exhibits D-E](#)
  - [Exhibits F-G](#)
  - [Exhibits H-I](#)
  - [Background Materials](#)

Please contact the City Clerk's Office at 510-284-4060 if you are unable to open links.

